

New law requires any person or other entity who enters into any contract awarded without bidding with a "state entity" or "local entity," or any contract with a "local entity" exceeding \$10,000 awarded with bidding, in which a commission, fee, or other consideration is paid to the contractor for the contractor to sell to or provide to the state or local entity any commodity, goods, brokerage service or other service of any kind, insurance, or anything of value, to disclose the full disposition, splitting, or sharing of such commission, fee, or other consideration to the "public entity" in writing by an "affidavit of notice of fee disposition".

"State entity" is defined as the state, or any agency, department, office, or other instrumentality of the state. "Local entity" is defined as any political subdivision of the state, including those entities with home rule charters which were existing or adopted when the state constitution was adopted, or any agency, department, office, or other instrumentality of such political subdivision.

The "affidavit of notice of fee disposition" must be on a form prescribed by the Board of Ethics and must be notarized as to its authenticity; must include the full value of the commission, fee, or other consideration to be paid, the names of all parties to receive dispositions, splits, or shares of the commission, fee, or other consideration, and the signature of the party authorized to commit the entity to the contract, who must attest to the truth of the facts set forth in the affidavit. The affidavit of notice of fee disposition must be attached to and made a part of the contract for which the commission, fee, or other consideration is paid and must be recorded in the public record.

Requires the contractor to prepare, execute, notarize, and record in the public record new affidavit reflecting changes in the disposition, splitting, or sharing of the commission, fee, or other consideration or changes in the amount.

If for any reason the information on the recorded affidavit is found to be incorrect, then the contract is null and void and all payments of the commission, fee, or other consideration must be rebated to the state or local entity. Intentional misrepresentation of the facts on an affidavit subjects the party attesting to the facts to the penalties provided for filing or maintaining false public records: imprisonment for not more than five years with or without hard labor or a fine of not more than \$5,000, or both.

Effective July 1, 2010.

(Amends R.S. 39:1767 and R.S. 48:251.8; adds R.S. 38:2196.1, R.S. 39:200(N), 1493.1, and 1758)